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Indiana is a coal state.
52.6% of all of our energy comes from coal, most in the form of electricity. Indiana is also a manufacturing state with over 30% of our GDP coming from durable and non-durable goods, the highest level of any in the USA. Anything that affects manufacturing affects Indiana more intensely.

Lets be clear, the Waxman/Markey cap and trade bill is neither, it does not cap CO2emissions, in fact CO2 emissions will increase under this legislation. And the only trading that will take place is trading Indiana manufacturing jobs for ones in China and India. This is not cap and trade it is a straight tax on energy.

EPA's own analysis is enough to show you how bad this bill will be, you just have to read the whole report to find the truth in their analysis, and they are for the bill.

EPA estimates that you will save $140 a year on energy in the year 2025 under Waxman Markey[1].

True, but only those that consume $92,000 a year in energy. Not even Al Gore consumes that much.

EPA says that your energy bill will decline under this Bill.

True but if you read the footnotes you will see that your energy bill declines because the price goes up so far (75% by EPA analysis, 90% after inflation by others) that you cannot afford to consume as much. (43% reduction in consumption is break even). A 50 % reduction in your energy consumption will result in you saving $300 a year[2].

EPA says don't worry because under the Waxman /Markey you will receive up to 80% of the CO2 tax back in the form of rebates to those in need. And you will need it. Energy will rise from an average of 6% of your family budget to 15% of your family budget when this Bill is full implemented[3].
(I assume that anyone who does not consume $92,000 a year in energy qualifies as ones in need).

But wait, this is only a suggestion in the bill not a mandate. The administration is left to determine if the proceeds from the cap and steal will be used to help you with your bills or if the feds use the cap and tax money to pay their own bills. Also note that none of the funds go back to the Energy Industries to offset the cost of new clean fossil fuel technologies. The bill allows for CCS but does not result in significant "penetration" of new technology. Retrofit old, don't build new[4].

EPA estimates that this will increase the number of Green manufacturing jobs.

This is also true, but read further and you will find that even including the increase in green jobs the EPA says that the manufacturing sector will not return to today's level of employment until after 2050.[5]

Indiana will loose up to **42,874 manufacturing jobs** (Heritage 1,105,000*3.88) and have a GDP reduction of **$171.9 billion** over the 40 years of the bill. (Heritage $9.6 trillion *1.79).[6]

For Green jobs to be created you need massive amounts of energy, that energy now comes form coal. The materials needed to make wind turbines are steel and copper, cobalt, polyresins and aluminum. All of which are very energy intensive to make. Under this rule and the EPA assessment that energy intensive manufacturer will be gone and not return until after 2050[7]. This mean that we now will need to import the parts of the wind turbines we install.

Solar Photovoltaic's require silicone and massive amounts of electricity to produce. So how much CO2 and energy do we need to produce to create something that at will not produce as much energy as it took to create.

EPA says that manufacturing jobs will start returning to the USA in 2020, but energy intensive manufacturing will continue to decline until after 2050[8]

True but wait, EPA assumes that by 2020 the other nations of the world, namely China and India will be so impressed with our efforts to control CO2 that they will adopt the same standard as those in Waxman/Markey. They then theorize that the manufacturing jobs that left the USA for Indian and China will return to the USA once energy prices in those countries reach the level experienced in our country.

Even I could not make this up.

Waxman says that this is needed to reduce the amount of CO2 in the atmosphere.

But wait, it does not reduce the amount of CO2 in the atmosphere, it only reduce s the amount of CO2 coming from the USA.

China produces 1561 tons of CO2 for every $1million in GDP, the USA produces only 461 tons of CO2 per $1million of GDP. Therefore for every $1million in manufacturing GDP that is traded from the USA to China will result in a net increase of 1,011 tons of CO2 put in the atmosphere, the exact opposite of the stated environmental goal[9].

If you want to reduce manufacturing CO2 emissions world wide you need to move manufacturing to the USA not away. We remain the most energy efficient manufactures on the planet.

The Bill will encourage renewables. To this I say WHY? Indiana has 250 years of coal available using current production methods, and up to 1500 years of coal available using advanced methods of energy extraction. Why impose a renewable standard which is less efficient, more costly when you don't need to.

Put solar where the sun shines most. A million dollars worth of photovoltaic place in New Mexico will produce a great deal more energy than the same amount put on roof tops here. Interestingly the bill discusses energy efficiency, but this form of efficiency is not included in the discussion.

Put wind turbines where the wind blows. T Boone Pickens was right, he does have the best wind for energy area in the USA, what he forgot to tell you is that he also got the Texas utility

commission to approve $5 billion to connect his wind energy network to the Texas grids system. You need a lot of Steel and Aluminum to make wind systems work. If you love wind energy you had better at least like transmission lines.

We hear discussion of Clean Coal. It is not he coal that is clean it is the process that converts coal to energy that is clean. Indiana is the technology leader in this area. Duke Power's Edwardsport IGCC is more efficient and produces fewer emissions per MWH than the coal fired plant it replaces. It will be the cleanest coal fired power plant in the world when it comes on line. Yet, needing 26% less energy to produce a KWH of than its predecessor is not considered energy efficiency in the bill.

The Indiana SNG plant which will convert Indiana coal to Natural Gas will reduce the amount of energy we need to import into Indiana from Mexico and Venezuela by using our own Home Grown resources. This keeps Millions of dollars in our economy versus sending millions out of the country.

Indiana, one of the largest steel producing states is developing a method of reducing the emissions and decreasing the cost of making coke for the steel industry. This becomes worthless if we are no longer allowed to produce steel in the USA.

Indiana is working on a method of removing the energy from coal that is currently too deep to mine. Getting more from our vast energy resources, but this is not considered energy efficiency under this bill

Indiana is working with its neighbor states to find ways to use the CO2 produced to increase the production of oil from old oil field, a technology that will be of no value if we are no longer allowed to build refineries.

Indiana is a leader in Biofuels, cellulosic technology and has the largest wind energy plant east of the Mississippi for one reason, we choose to be.

This Bill will make our work in advancing energy technology near worthless. In Indiana we build things and grow stuff,
That is who we are.
This bill will move Indiana from a manufacturing center to a welfare state.
Something we are not ready to be.

1) EPA Preliminary Analysis of the Waxman-Markey Discussion Draft. The American Clean Energy and Security Act of 2009, in the 111th Congress, April 20, 2009.
U.S. Environmental Protection Agency
Office of Atmospheric Programs. Page 16
2) Ibid page 16
3) Ibid page 30
4) Ibid page 24
5) Ibid page 34
6) The Heritage Foundation WebMemo *2450, May 18, 2009
Indiana has 1.79% of USA GDP and 3.88% of USA manufacturing employment, Bureau of Economic Analysis
7) EPA page 34
8) ibid
9) Center for Coal Technology Research Internal reports

10) Ibid